

March 3, 2006

Mr. Steve Wright, Administrator  
Bonneville Power Administration  
PO Box 3621  
Portland, OR 97208

Dear Mr. Wright,

We are the elected members of the Clark Public Utilities Board of Commissioners. We are also residents of Clark County and ratepayers of Clark Public Utilities, and it is in the latter capacity that we are writing to comment on BPA's proposed power rates for the period beginning in October, 2006.

Because of our dependence on the River Road Generating Plant and fluctuations in the natural gas market to record price levels, we have been struggling to keep retail rates from increasing. Our recent settlement with BPA over Residential Exchange benefits has allowed us to avoid an increase for residential customers this year. But unless either gas prices or BPA rates go down below the levels that we have seen in recent years, it will be very difficult for us to avoid increasing our retail rates.

We had been counting on BPA's rates to decrease significantly this year as high-cost power bought during the 2001 energy crisis fell out of the power supply mix. The large increase included in BPA's Initial Proposal has been a shock and a disappointment. Too many Clark County residents are struggling to pay their current power bills and can't afford further increases. We urge you to continue working with your utility customers to identify and implement ways to help them hold the line on retail rates.

Although the proposed rates are much higher than we would like, the initial proposal included a change in rate design that softened the impact of the rate increase on utilities like Clark that depend on BPA to meet highly variable loads. Your reasons for this change seemed logical and practical. The differences between market power prices at various times of day and night are not as large as they used to be and the proposed rate design reflected that fact.

We understand that BPA and many of the customers have agreed that BPA will modify this proposal to help utilities that have relatively flat loads, at the expense of Clark and other utilities with highly variable loads. The agreed changes add about \$8 million to Clark's BPA bills over the rate period, without providing any offsetting benefit to Clark. For this reason, we do not believe that it is in the interests of Clark County residents to support the revised rate design.

Clark Public Utilities is not submitting rate case testimony opposing BPA's modified rate design, but please recognize that some of your customers are harmed by this change and

do not support it. We would prefer to see changes that benefit as many as possible and do not merely shift costs from one customer to another.

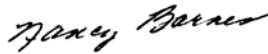
Our real concern is the amount of the overall increase. With the “compromise” rate design, power rates increase even more. Electric customers in Clark County need lower power costs, so the “compromise” rate design puts even more importance on finding savings in the current power function review to offset the rate impacts on utility customers with highly variable loads. BPA needs to identify and implement whatever means possible to reduce the rate increase for all of your public utility customers.

Thank you for this opportunity to comment.

Sincerely,



Carol J. Curtis



Nancy Barnes



Byron H. Hanke